

DRAFT

202 7626
Confidential Claim Retracted

AUTHORIZED BY: SL

DATE: 5/14/13

ISSUE: Monitoring

Anaconda Minerals Company (AMC) - The company proposes that a three-year period of monitoring will be sufficient time within which a determination can be made as to the success of reclamation processes and activities.

Minerals Management Service (MMS) - It is the position of Minerals Management Service that the period of no less than five years is needed to determine the adequacy and success of reclamation measures. In addition, the Minerals Management Service will request Anaconda to pay for the cost of an airborne gamma survey once reclamation is completed. The Environmental Protection Agency has also been requested to provide a monitoring plan.

Pueblo of Laguna (POL) - It is the feeling of the Pueblo that monitoring activities must take place on an on-going basis for a period of no less than ten years.

JUSTIFICATION:

The Pueblo of Laguna is of the opinion that due to topography resulting from the reclamation processes and the instability of the soils and materials to be used in the backfilling process and the material composition of the waste piles, it will be at least ten years before any kind of a determination can be made as to the stability of the reclaimed areas and the success of the reclamation program. Because of the sometimes radical changes in the environmental conditions i.e., unusually heavy rainfalls, periods of draught, sufficient time must be allocated to allow for possible



9403901

CONFIDENTIAL

POL-EPA01-0000603

change in conditions and its subsequent effect on the reclamation measures undertaken. The Pueblo is adamant that the Company and the Pueblo's trustee must keep in mind that the reclamation of the Jackpile-Paguate mine will be the first such undertaking within this country, of a large open-pit uranium mine and that we lack the benefit of knowledge of adequate reclamation measures and successes of reclaimed uranium mines.

ISSUE: Waste Pile Slopes

AMC - The company proposes two methods of reclaiming waste pile slopes. One method calls for the construction of 2 to 1 slopes with intervening terraces. The second method calls for the construction of 3 to 1 slopes with a water retention berm at the crest of the slope. The use of these two methods will be on a 50-50 basis over the entire area to be reclaimed.

MMS - It is the position of Minerals Management Service that all waste pile slopes must be at least angled at 3 to 1 or less and must be contoured utilizing the contour furrowing method.

POL - It is the Pueblo's position that all slopes including waste pile slopes must be no greater than 3 to 1 and that there will be no terracing of slopes or construction of downspouts. The Pueblo also agrees that the contours should be furrowed.

JUSTIFICATION:

The Pueblo maintains that because of the composition of the waste piles, waste pile slopes should be no steeper

than a 3 to 1 grade in order to avoid erosion due to heavy rains, to permit a greater success of revegetation due to the elimination of seed loss lost through erosion, and to provide easier access to livestock.

ISSUE: TOPSOIL ON WASTE DUMPS

AMC - The Company proposes to place 1 ft. of topsoil on waste dumps.

MMS - Minerals Management Service has not yet developed a firm position. However, they have determined that justification for a 2 ft. fill does not exist.

POL - It is the Pueblo's position that they will agree with the Company's position so long as slopes are no greater than 3 to 1 and that contour furrowing exists on all slopes.

ISSUE: North Paguate Highwall

AMC - The Company proposes to backfill the North Paguate pit of 3 ft. above the ground water recovery level, to backfill the west end of the pit to plane level and to create a 3 to 1 slope from the west end to the east end of the Paguate pit area. The Company further proposes to leave the highwall in tact and to only scale the loose rock from the highwall.

MMS - It is the position of Minerals Management Service that the highwall cannot remain as is and that it will have to be sloped. A final determination has not been made if the Company should be required to create a 1½ to 1 incline by blasting or 3 to 1 slope.

POL - It is the position of the Pueblo that the highwall must be removed and that a 3 to 1 slope must be created. It is also the position of the Pueblo that the entire North Paguate pit must be backfilled to pit plane level.

JUSTIFICATION:

Of the entire area upon which mining activities were conducted, the North Paguate pit was the closest of all operations to the village of Paguate. The northwest part of the pit is no further than ____ yards from the nearest household. It is this area of the mine which will probably be frequented most often by residents of the village. It is therefore imperative that every consideration be given to reclaiming this area in a manner which would eliminate any and all hazardous conditions and to render it useful, to the extent possible, by the residents of the village. It should be kept in mind that this area was at one time under cultivation by the village residents and *was* served by an extensive irrigation system. The Pueblo representatives are under constant and extensive pressures from village residents to have the entire North Paguate pit area backfilled and to have the highwall eliminated as has been verbally promised by past representatives of the Company. A portion of this area is also used for ceremonial activities though total use was precluded during those years when mining activity was in process.

ISSUE: South Paguate Highwall

AMC - The Company proposes to backfill South Paguate pit to a level above the current water recovery level and to chain and

ball the highwall. The Company also proposes to construct a fence across the west rim of the highwall.

MMS - The Minerals Management Service has not established a position relative to this area.

POL - It is the position of the Pueblo that the pit should be backfilled to the greatest extent possible and that the highwalls should be eliminated and the area sloped on a 3 to 1 incline.

JUSTIFICATION:

The South Paguate pit if reclaimed only to the extent proposed by the Company will continue to pose a hazard to any period or livestock travelling the area. Many of the facilities i.e., buildings to be turned over to the Pueblo in accordance with the terms of the Lease No. 4 are located in very close proximity to the South Paguate pit. It is the intent of the Pueblo to make complete use of the buildings resulting in the area to be occupied, at least during normal working hours, by as many as 75 to 100 people. It is therefore imperative that the highwalls be removed so as to eliminate the dangers created by the existence of highwalls. The preventive measure of fencing as proposed by the Company is totally unacceptable because of the rate of deterioration of fences and maintenance requirements for upkeep of such.

ISSUE: Level of Backfill

AMC - It is the position of the Company that areas will be backfilled to 3 ft. above ground water recovery level.

MMS - It is the position of Minerals Management Service that backfill must be no less than 10 ft. above the ground water recovery level.

POL - The Pueblo has not established a definite position relative to backfill but will depend to a large extent upon a recommendation and the position to be taken by Minerals Mangement Service.